

**INFORMATION REPORT**

CD NO.

COUNTRY Austria

DATE DISTR. 15 DEC 50

25X1

SUBJECT Financial Straits of the Vienna OeVP Directorate

NO. OF PAGES 2

PLACE ACQUIRED  
DATE OF INFO.

**RETURN TO CIA LIBRARY**

NO. OF ENCLS. (LISTED BELOW)

*fld 471*

SUPPLEMENT TO REPORT NO.

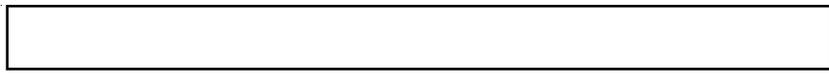
25X1



THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF THE ESPIONAGE ACT OF C. S. C. 51 AND 52, AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

25X1



- Members of the Vienna organization of the Austrian Peoples' Party (OeVP) met for five or six hours in a closed meeting (Landesparteitag) on 28 October 1950 to consider their program in the light of the critical financial predicament of the Vienna Party Directorate (Landesleitung). It seems that the Vienna Directorate is now burdened with a 1,000,000 schilling debt, that it has not paid its employees since 11 October 1950 and even then was not able to pay the supplementary 100 schilling wage increase prescribed by the Fourth Wage and Price Agreement. (1) With no immediate prospects of acquiring funds it seems likely that the Vienna Directorate may have to shelve its current propaganda program because it cannot finance even the most routine Party activities.
- The seriousness of this crisis was brought home to the conferees by Fritz Polcar, Chairman of the OeVP Vienna Directorate, who informed the meeting that he will be forced to relinquish his responsibilities and resign unless the Vienna organization is put on a sound financial footing. Although the conferees considered several fund raising schemes they were unable to reach a decision. A proposal that every organized party unit within the city of Vienna be required to make a monthly contribution of 1,500 schillings was rejected on the grounds that this measure might lead to coercive practices and corruption on the part of ambitious Party collectors. The meeting ignored a proposal made by Dr. Freitag, a Vienna City Councillor, who suggested that the Vienna Directorate appeal for financial assistance to Christian Democratic parties in Italy, France and Western Germany. Finally, when the question of appealing to the National Party Directorate (Bundesleitung) was brought into the discussion, the conferees were reminded that Chancellor Figl, Minister Hurdes and their colleagues have never evinced any interest in subsidizing the Vienna Organization. (2)
- The fact remains that with the virtual disappearance of the blackmarket, the Party has lost a primary source of income. It is generally known that in the immediate post war years the OeVP operated on funds derived principally from large-scale blackmarket dealings in American cigarettes and the illegal sale of wine in Vienna. Not only were these transactions sanctioned by the Party, but ranking OeVP leaders, among them Peter Krauland, former Minister for Property Control and Planning, and Fritz Polcar, present Chairman of the Vienna Directorate, filled the Party coffers with blackmarket profits.

|         |    |      |      |                |                                       |
|---------|----|------|------|----------------|---------------------------------------|
| STATE # | EV | NAVY | NSRB | CLASSIFICATION | <del>SECRET</del> <b>CONFIDENTIAL</b> |
| ARMY #  | X  | AIR  | FBI  | DISTRIBUTION   |                                       |

Document No. \_\_\_\_\_  
 No Change in Class.   
 Reclassified  
 Class. Changed To: TS-S-C  
 Auth.: WH 10-2  
 Date: 7-17-82 By: \_\_\_\_\_

This document is hereby regraded to CONFIDENTIAL in accordance with the letter of 15 October 1978 from the Director of Central Intelligence and the Archivist of the United States.

This document is hereby regraded to CONFIDENTIAL in accordance with the letter of 16 October 1978 from the Director of Central Intelligence and the Archivist of the United States.

25X1

CENTRAL INTELLIGENCE AGENCY

- 2 -

25X1

25X1

(1) [ ] Comment: The Vienna Jugend Bewegung (OeVP Youth Organization) has an 80,000 schilling debt; the Vienna Soziales Hilfswerk a debt of 300,000 schillings.

25X1

(2) [ ] Comment: Perhaps one reason why the OeVP national leadership is not immediately concerned with the plight of the Vienna organization is that the three constituent leagues of the Party, the Workers and Employees, Peasants, and Economic League, which have adequate financial resources, are opposed to putting out funds for any purpose other than one which advances their own particular interests. It is also reported that the OeVP National Treasury is short of funds and some OeVP members believe Foreign Minister Karl Gruber may try to solicit some sort of financial support for the Party from prominent American authorities while he is in the United States.

25X1

[ ] Comment: It is also possible that the OeVP national leadership is reluctant to support the Vienna Directorate which is run by Polcar, Gredler and others active in the Junge Front. This youth group, affiliated with the OeVP, has advocated "reform from within" and has openly criticized the Party Leadership.

~~SECRET~~